



MICHAEL J. MURPHY
State Treasurer

State of Washington
Office of the Treasurer

For immediate release: July 12, 2005
For more information: Barton Potter (360) 902-9033

Washington state gains from bond refinancing

OLYMPIA — A bond refunding (refinancing) sale today allowed the state of Washington to take advantage of current low interest rates to gross more than \$53 million in savings over the original cost of financing the bonds.

The refunding of issues from 1993, 1997 and 1999 yielded an overall savings of 7.8 percent, or more than \$35.8 million in net present value. The sale drew five firms in early-morning competitive bidding at the Office of the State Treasurer.

“Whenever we can take advantage of this interest rate environment to save money for the taxpayers of the state, we will jump at the opportunity,” State Treasurer Michael J. Murphy said.

The State Finance Committee this morning awarded the bid for the refunding issue of \$466.63 million to Morgan Stanley & Co., which offered a true interest cost (TIC) bid of 4.0372291 percent. Also bidding were Merrill Lynch & Co. (4.0381058 percent), Citigroup Global Markets (4.0393611), J.P. Morgan Securities (4.0457395) and UBS Financial Services (4.0511055).

Treasurer Murphy is chairman of the State Finance Committee and serves on the committee along with Gov. Christine Gregoire and Lt. Gov. Brad Owen.

###